



NATIONAL CHAMBER OF MILLING

(Incorporated)

REGISTERED NO. 1936/008920/08

Association not for Gain

ESTABLISHED 1936

Physical address / Fisiese adres

Embankment Park
194 Kwikkie Crescent/Singel
Centurion
Tel: (012) 663-1660
www.grainmilling.org.za
Fax/Faks: (012) 663-3109

Postal address / Posadres

P O Box/Posbus 7262
Centurion
0046 Republic of South Africa
Website:

E.mail: info@grainmilling.org.za

Our reference : 9517

31 May 2007

FOR IMMEDIATE RELEASE

PRESS RELEASE

SOUTH AFRICAN CONSUMERS ARE GETTING WEALTHIER

'South African Consumers are getting wealthier – that is if measured by the change in consumption patterns of basic foodstuffs like maize meal, bread and rice'. This is the conclusion made by Mr Jannie de Villiers, Executive Director of the Chamber of Milling.

We have compared the consumption of maize, wheat and rice with each other at the end of April 2007 and found the following:

% Growth

Maize: Human consumption	- 0.7%
Wheat: Human consumptions	+ 3.5%
Rice imports*	± 2.0%
Animal feed consumption*	+ 4.8%

*The figures for rice and animal feed sales are estimates based on the actuals of 11 months.

South Africa does not produce rice and all the rice consumed is imported. The growth rate for rice this year is somewhat overstated as the 2005/2006 year had shown an 8.4% decrease over 2004/2005. Compared to the earlier years, ignoring 2005/2006, the growth rate for rice should rather be ± 2%. According to the Animal Feed Manufacturers Association ± 70% of all animal feed sales are destined for the poultry sector.

It is a common fact that as people get wealthier, they tend to change their consumption patterns of foodstuffs. Maize meal is by far the cheapest carbohydrate (Rand per kilojoule). The per capita consumption of maize by human beings have declined over the past five years.

Directors/Direksie: T A Carstens (Chairman/Voorsitter) E Beneke (Vice Chairman/Vise-Voorsitter)
J A Bothma A C Godrich C J Immelman B H Joubert M J le Roux H A Lourens E W Platt
O A Strydom L C Swarts J van der Walt H P van Dyk
Executive Director/Uitvoerende Direkteur: J F de Villiers

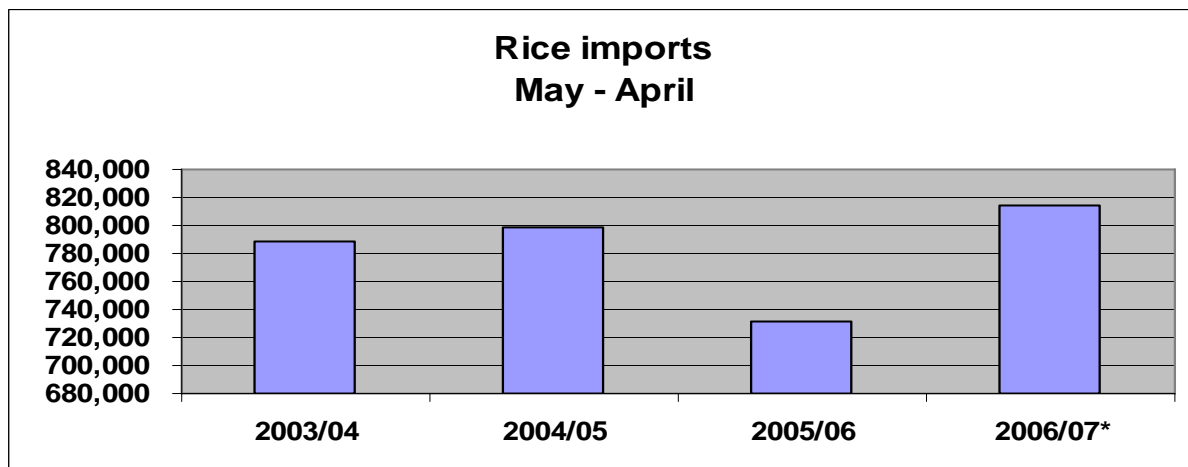
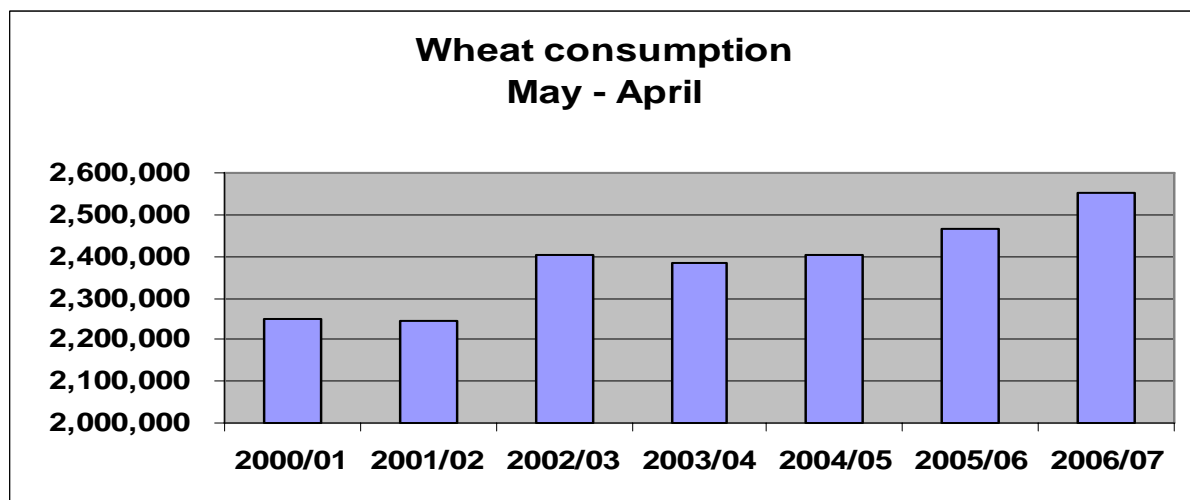
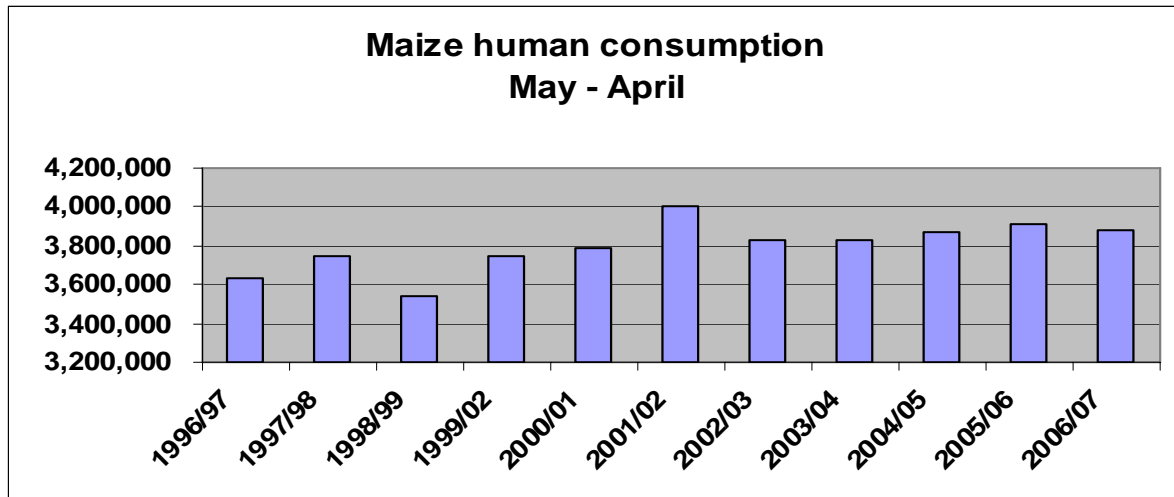
'People are moving away from maize meal into wheat products and meat' De Villiers said. Wheat and meat products are more expensive than maize and are clearly an indication that South Africa is moving in the right direction in alleviating poverty.

Earlier this month the Food Price Monitoring Committee of the Minister of Agriculture released their findings: For the past four years the price of a Basket of Basic Foodstuffs, measured by the Committee, has declined by 0.7% in real terms. Consumers are getting cheaper food and it is confirmed by their choices moving to more processed and protein products.

'We subscribe this to a healthy macro economic policy environment and a free market mechanism in agriculture that is working well' De Villiers said.

Enquiries: Jannie de Villiers

Contact details: Chamber of Milling
Tel (012) 663 1660
Fax (012) 663 3109
E.mail: info@grainmilling.org.za



*The figures for rice sales are estimation based on the actuals of 11 months.